

1 BILL NO. R-88-10- 23

2 DECLARATORY RESOLUTION R-

71-88

3 A DECLARATORY RESOLUTION approving
4 a deduction for new manufacturing
5 equipment under I.C. 6-1.1-12.1 for
6 property commonly known as 3700 E.
7 Pontiac Street, Fort Wayne, Indiana
8 46803 (Itt Aerospace/Optical
9 Division, petitioner), property
10 previously designated and declared an
11 "Economic Revitalization Area."

12 WHEREAS, the Common Council of the City of Fort Wayne
13 has previously designated and confirmed the following
14 described property as an "Economic Revitalization Area" under
15 Division 6 Article II, Chapter 2 of the Municipal Code of the
16 City of Fort Wayne, Indiana, 1974, as amended and I.C. 6-1.1-
17 12.1, to wit:

18 3700 East Pontiac Street and NW 1/4 S
19 of RR EX W1200 FT. SEC. 17 (Oxford
20 St.);

21 said property more commonly known as 3700 East Pontiac Street,
22 Fort Wayne, Indiana 46803;

23 WHEREAS, said designation of said property as an
24 "Economic Revitalization Area" was for a period of four (4)
25 years commencing May 14, 1986;

26 WHEREAS, said applicant Itt Aerospace/Optical Division
27 has filed with the Common Council a Statement of Benefits
28 prior to the installation of new manufacturing equipment for
29 which said applicant desires to claim a deduction under I.C.
30 6-1.1-12.1;

31 WHEREAS, the total project cost is estimated at
32 \$2,301,945.00, adding additional payroll of \$4,826,010.00,
creating 233 additional jobs at an average annual salary of
\$20,712.48;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. The Common Council determines that the
deduction requested should be allowed, based on the following
findings:

PAGE TWO

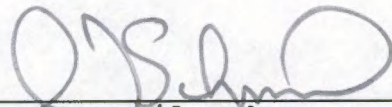
(a.) the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type.

(b.) the estimate number of individuals to be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment.

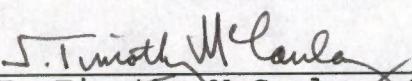
(c.) the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment.

(d.) the totality of benefits is sufficient to justify the deduction.

SECTION 2. That this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.


Councilmember

APPROVED AS TO FORM
AND LEGALITY


J. Timothy McCaulay City Attorney

INSTRUCTIONS (I.C. 6-1-1-12-1) THIS PAGE TO BE COMPLETED BY APPLICANT

1. This statement must be submitted to the body designating the economic revitalization area BEFORE a person acquires new manufacturing equipment or begins the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. Effective July 1, 1987.
2. If a person is requesting the designation of an economic revitalization area, this form must be submitted at the same time the request is submitted.
3. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained before a deduction may be approved.
4. To obtain a deduction Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of (1) May 10 or (2) thirty(30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.

Name of Designating Body Allen County Council	County Allen
Name of Taxpayer Itt Aerospace/Optical Division	
Address of Taxpayer (Street, city, county) 3700 E. Pontiac St., P.O. Box 3700 Fort Wayne, IN	
ZIP Code 46801	

SECTION I LOCATION, COST AND DESCRIPTION OF PROPOSED PROJECT

Location of property if different from above Same	Taxing District 60
Cost and description of real property improvements and / or new manufacturing equipment to be acquired: Various pieces of new machinery & test equipment that will be needed to manufacture products for new and existing government contracts. Est. Cost \$2,301,945	
(Attach additional sheets if needed)	Estimated Starting Date 1-1-88
	Estimated Completion Date 12-31-88

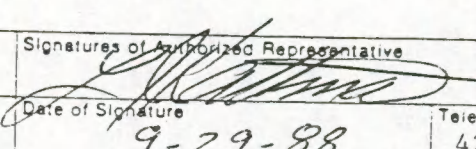
SECTION II ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
967	27,180,967	967	27,180,967	233	4,826,010

SECTION III ESTIMATE TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS		MACHINERY	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current Values			24,141,407	2,710,190
Plus estimated values of proposed project			2,301,945	306,926
Less: Values of any property being replaced				
Net estimated values upon completion of project			26,443,352	3,017,116

SECTION IV OTHER INFORMATION REQUIRED BY THE DESIGNATING BODY

I hereby certify that the representations on this statement are true.		Signatures of Authorized Representative 	
Title Vice President and Comptroller	Date of Signature 9-29-88	Telephone Number 423-9636	

FOR USE OF DESIGNATING BODY

IMPACT ON THE CURRENT YEAR TAX RATE FOR THE TAXING DISTRICT INDICATED ABOVE

Tax Rates Determined Using The Following Assumptions

Total Tax Rates

1	Current total tax rate.	\$	10.1686
2	Approximate tax rate if project occurs and no deduction is granted.	\$	10.1686
3	Approximate tax rate if project occurs and a deduction is assumed.	\$	10.1686

Assume an 80% deduction on new machinery installed and / or a 50% deduction assumed on real estate improvements.

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2:

- A) The designated area has been limited to a period of time not to exceed One calendar years. *(See Below)
- B) The type of deduction that is allowed in the designated area is limited to:
- 1) Redevelopment or rehabilitation of real estate improvements. ☐ Yes ☒ No
 - 2) Installation of new manufacturing equipment ☒ Yes ☐ No
 - 3) No limitations on type of deduction (check if no limitations) ☒ No
- C) The amount of deduction applicable for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1987, is limited to \$ _____ cost with an \$ _____ assessed value.

Also we have reviewed the information contained in the statement of benefits including the impact on the tax rate incorporated herein, and have determined that the benefits described above can be reasonably expected to result from the project and are sufficient to justify the applicable deduction.

Approved: Signature of Authorized Member and Title

Date of Signature

Attested By:

Designated Body

Sandra E. Kennedy

City Clerk

- * If a commission council town board or county council limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under I.C. 6-1.1-12.1-4 or 4.5 Namely:

NEW MANUFACTURING EQUIPMENT

REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT

For Deductions Allowed Over A Period Of:

Year of Deduction	Percentage	Year of Deduction	Three (3) Year Percentage	Six (6) Year Percentage	Ten (10) Year Percentage
1st	100%	1st	100%	100%	100%
2nd	95%	2nd	66%	85%	95%
3rd	80%	3rd	33%	66%	80%
4th	65%	4th		50%	65%
5th	50%	5th		34%	50%
6th and thereafter	0%	6th		17%	40%
		7th			30%
		8th			20%
		9th			10%
		10th			5%

1986

SUMMARY SHEET & ECONOMIC DEVELOPMENT RECOMMENDATION
FOR
"ECONOMIC REVITALIZATION AREA"
IN
CITY OF FORT WAYNE, INDIANA

Name of Applicant: ITT AEROSPACE/OPTICAL DIVISION
Site Location: 3700 East Pontiac Street and NW 1/4 S of RR EX W1200 FT SEC. (OXFORD ST.)

Councilmanic District: 1st Existing Zoning: Heavy Industrial

Nature of Business: Electronic Equipment Manufacturing

Project is located in the following:

	<u>Yes</u>	<u>No</u>
Designated Downtown Area	<u> </u>	<u>X</u>
Urban Enterprise Zone	<u>X</u>	<u> </u>
Redevelopment Area	<u> </u>	<u>X</u>
Platted Industrial Park	<u> </u>	<u>X</u>
Flood Plain	<u> </u>	<u>X</u>

Description of Project:

Purchase and Installation of Machinery and Equipment to test and manufacture
air traffic and ground communication systems for the U.S. Government

Type of Tax Abatement: Real Property Manufacturing Equipment X

Estimated Project Cost: \$ 17,191,000.00 Permanent Jobs Created: 400

STAFF RECOMMENDATION:

As stated per the established policy of the Division of Economic Development, the following recommendations are hereby made:

- 1.) Designation as an "Economic Revitalization Area" should be granted. X Yes No
- 2.) Designation should be limited to a term of 4 year(s).
- 3.) The period of deduction should be limited to 5 year(s).

Comments:

This is an extension of an overall plan ITT began approximately 3years ago. It is the recommendation of the Division that ITT's growth is essential to this area, therefore we need to help

them with whatever assistance we can.

Staff James S. Martin
Date 5-13-86

Director Kathy Moore
Date 5-13-86

Read the first time in full and on motion by Schmidt, seconded by Salmon, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock _____ M.E.S.T.

DATED: 10-25-88

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Schmidt, seconded by Stier, and duly adopted, placed on its passage. PASSED ~~LOST~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>9</u>			
BRADBURY	<u>✓</u>			
BURNS	<u>✓</u>			
GIAQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG	<u>✓</u>			
REDD	<u>✓</u>			
SCHMIDT	<u>✓</u>			
STIER	<u>✓</u>			
TALARICO	<u>✓</u>			

DATED: 11-22-88

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL)

(SPECIAL) (ZONING MAP) ORDINANCE RESOLUTION NO. R-71-88

on the 22nd day of November, 1988,

Sandra E. Kennedy ATTEST
SANDRA E. KENNEDY, CITY CLERK

SEAL
Thomas E. Henry
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 23rd day of November, 1988, at the hour of 10:00 o'clock _____ M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 29th day of November, 1988, at the hour of 9:30 o'clock A M., E.S.T.

PAUL HELMKE
PAUL HELMKE, MAYOR

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE DECLARATORY RESOLUTION

03-88-10-23

DEPARTMENT REQUESTING ORDINANCE ECONOMIC DEVELOPMENT

SYNOPSIS OF ORDINANCE Approves a deduction for new manufacturing equipment
under I.C. 6-1.1-12.1 for Itt Aerospace/Optical Division, including
the purchase and installation of machinery and equipment to test and
manufacture air traffic and ground communication systems for the
U. S. Government - property has previously been designated and
declared an "Economic Revitalization Area."

EFFECT OF PASSAGE Allows the deduction for purchase of new
manufacturing equipment.

EFFECT OF NON-PASSAGE opposite from above

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) \$2,301,945.00

ASSIGNED TO COMMITTEE (PRESIDENT) _____

BILL NO. R-88-10-23

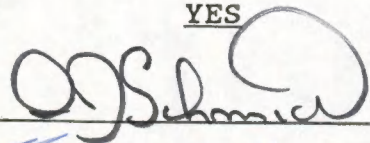
REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS
REFERRED AN ~~XXXXXXXXXX~~ (ORDINANCE) (RESOLUTION) approving a deduction
for new manufacturing equipment under I.C. 6-1.1-12.1 for
for property commonly known as 3700 E. Pontiac Street,
Fort Wayne, Indiana 46803 (Itt Aerospace/Optical Division,
petitioner), property previously designated and declared
an "Economic Revitalization Area"

HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(ORDINANCE) (RESOLUTION)

YES

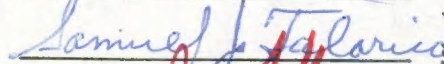
NO



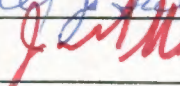
DONALD J. SCHMIDT
CHAIRMAN



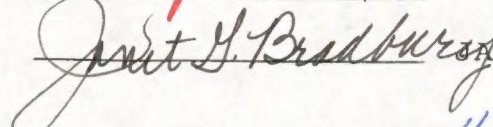
CHARLES B. REDD
VICE CHAIRMAN



SAMUEL J. TALARICO



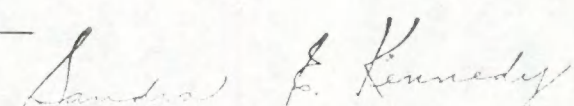
JAMES S. STIER



JANET G. BRADBURY

CONCURRED IN

11-22-88



Sandra E. Kennedy
City Clerk